AMENDED IN ASSEMBLY APRIL 5, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1991

Introduced by Assembly Member Arambula

February 17, 2010

An act to amend Section 47607 of, and to repeal Section 47607.5 of, the Education Code, relating to charter schools.

LEGISLATIVE COUNSEL'S DIGEST

AB 1991, as amended, Arambula. Charter schools: *renewal:* accountability standards.

(1) The Charter Schools Act of 1992 limits the duration of charters to a period not to exceed 5 years and authorizes the chartering authority to grant one or more subsequent renewals for an additional period of 5 years. The act specifies criteria regarding academic performance which a charter school that has been in operation for 4 years is required to meet in order to receive a renewal of its charter.

This bill instead would make the duration of each initial charter for a period of 5 years and would make renewals for an additional period of 5 to 10 years. The bill would revise the criteria regarding academic performance for charter schools in operation for 4 years. The bill would authorize the Superintendent of Public Instruction and the state board to develop, in lieu of the academic performance criteria, alternative criteria that will align with metrics of pupil performance that recognize individual pupil progress or any other measures of academic performance developed and implemented as specified. The bill would require the Superintendent, by October 1 of each year, to identify any charter school that has not met the renewal criteria, as specified, and notify each identified school of the expiration date of its charter and

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that the school has not met the initial criteria for renewal. The bill would prohibit a chartering authority from renewing the charter of a school so identified if the charter will expire within one year of the identification, unless the chartering authority receives authorization from the state board according to a specified procedure in which the charter school would be authorized to request the state board to grant authorization to the chartering authority.

(2) The Charter Schools Act of 1992 allows a charter school to submit a renewal application to the county board of education if the application has been denied by the school district governing board or to the State Board of Education if the application has been denied by the county board of education, as specified.

This bill would delete that provision and instead make the appeal process for charter revocations applicable to denials of renewal applications by chartering authorities and the failure of chartering authorities to act on a renewal application within specified timelines.

The Charter Schools Act of 1992 authorizes any one or more persons to submit a petition to the governing board of a school district to establish a charter school that operates independently from the existing school district structure as a method of accomplishing specified educational goals.

This bill would declare the intent of the Legislature to enact legislation that would specify accountability standards for pupil outcomes in charter schools and require charter schools to meet those standards.

Vote: majority. Appropriation: no. Fiscal committee: no *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 47607 of the Education Code is amended 2 to read:
- 3 47607. (a) (1) A charter may be granted pursuant to Sections
- 4 47605, 47605.5, and 47606 this chapter for a period not to exceed
- 5 of five years. A charter granted by a school district governing
- 6 board, a county board of education or the state board, may be
- 7 granted one or more subsequent renewals by that entity. Each
- 8 renewal shall be for a period of five to 10 years. A material revision
- 9 of the provisions of a charter petition may be made only with the
- 10 approval of the authority that granted the charter. The authority

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that granted the charter may inspect or observe any part of the charter school at any time.

- (2) Renewals and material revisions of charters are governed by the standards and criteria in Section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed. Renewal decisions shall be based primarily on an assessment of the actual academic and operational performance of the charter school, including the school's progress toward achieving the pupil outcomes identified in its charter. The academic evaluation of a charter school for purposes of renewal shall include, but is not limited to, all of the following:
- (A) The school's academic performance as measured by metrics and targets in the Public School Accountability Act of 1999 (Article 2 (commencing with Section 52051) of Chapter 6.1 of Part 28), the applicable provisions of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6301 et seq.), including, to the extent available, pupil data from the California Longitudinal Pupil Achievement Data System established in Section 60900 and pupil performance by grade cohort as described in Section 52052.6.
- (B) Other statistically valid measures of charter school pupil performance in comparison to pupils with similar demographics.
- (C) Other school information, including the target pupil population, pupil demographics, number of pupils enrolled, and the number of years the school has been in operation.
- (b) Commencing on January 1, 2005, or after a A charter school that has been in operation for four years, whichever date occurs later, a charter school shall meet shall not receive a charter renewal if it is currently identified as a persistently lowest achieving school pursuant to Section 53201 and unless it satisfies at least one of the following criteria prior to receiving a charter renewal pursuant to paragraph (1) of subdivision (a):
- (1) Attained its Academic Performance Index (API) growth target in the prior year or in two of the last three years, or in the aggregate for the prior three years.
- (2) Ranked in deciles 4 to 10, inclusive, on the API in the prior year or in two of the last three years.

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(3) Ranked in deciles 4 to 10, inclusive, on the API for a demographically comparable school in the prior year or in two of the last three years.

- (4) Has qualified for an alternative accountability system pursuant to subdivision (h) of Section 52052.
- (c) The Superintendent and the state board may develop, in lieu of the criteria specified in subdivision (b), alternative criteria that will align with metrics of pupil performance that recognize individual pupil progress or any other measures of academic performance developed and implemented pursuant to Section 52052.5. Prior to the implementation of any alternative criteria pursuant to this subdivision, the Superintendent and the state board shall notify the appropriate policy and fiscal committees of the Legislature.
- (d) (1) By October 1 of each year, the Superintendent shall identify any charter school that has not met the criteria described in subdivision (b) or, as applicable, criteria established pursuant to subdivision (c), and shall notify each identified school of the expiration date of its charter and that the school has not met the initial criteria for renewal.
- (2) A chartering authority shall not grant a renewal application if the charter school has been identified pursuant to paragraph (1) and its charter will expire within one year of the identification, unless the chartering authority receives authorization from the state board as described in subparagraph (E). The charter school may request the state board to grant this authorization. If a charter school makes a request pursuant to this subparagraph, all of the following apply:
- (A) The chartering authority shall be exempt from the timelines specified in subdivision (b) of Section 47605 and instead shall meet the timelines specified in paragraph (3).
- (B) By November 15 of the year in which the school is identified pursuant to paragraph (1), the school shall submit to the Superintendent copies of supporting documentation and a written summary of the basis for allowing the chartering authority to grant a renewal despite the school's failure to meet the established criteria for renewal.
- (4) (A) The entity that granted the charter determines that the academic performance of the charter school is at least equal to the academic performance of the public schools that the charter school

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pupils would otherwise have been required to attend, as well as the academic performance of the schools in the school district in which the charter school is located, taking into account the composition of the pupil population that is served at the charter school.

(B)

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- (*C*) The determination analysis made pursuant to for purposes of this paragraph shall be based upon all of the following:
 - (i) Documented and clear and convincing data.
- (ii) Pupil achievement data from assessments, including, but not limited to, the Standardized Testing and Reporting Program established by Article 4 (commencing with Section 60640) for demographically similar pupil populations in the comparison schools.
- (iii) Information Any other relevant information submitted by the charter school.
- (D) The Superintendent shall review the materials submitted by a charter school pursuant to subparagraph (B) and make a recommendation to the Advisory Commission on Charter Schools as to whether the chartering authority should be authorized to grant a renewal of the charter based on the materials received from the school and any new data that becomes available during the review, including an updated determination on whether the school is a persistently lowest achieving school pursuant to Section 53201. The Superintendent shall notify the state board, the chartering authority, and the charter school of the recommendations of the Superintendent and the Advisory Commission on Charter Schools by February 1 of the year following the year in which the request was made by the charter school.
- (E) At its next public meeting following receipt of the recommendations of the Superintendent and the Advisory Commission on Charter Schools, the state board shall consider the recommendations and determine whether to authorize the chartering authority to grant a renewal. The renewal appeal process described in this section does not apply to a charter school for which the state board denies a request to authorize the chartering authority to grant a renewal. If the state board grants a request to authorize the chartering authority to grant a renewal.

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the chartering authority shall make a final determination on the
renewal application within 60 days of the state board's decision.
(C) A chartering authority shall submit to the Superintendent

- (C) A chartering authority shall submit to the Superintendent copies of supporting documentation and a written summary of the basis for any determination made pursuant to this paragraph. The Superintendent—shall—review—the—materials—and—make recommendations to the chartering authority based on that review. The review may be the basis for a recommendation made pursuant to Section 47604.5.
- (D) A charter renewal may not be granted to a charter school prior to 30 days after that charter school submits materials pursuant to this paragraph.
- (5) Has qualified for an alternative accountability system pursuant to subdivision (h) of Section 52052.

(e)

- (e) A charter may be revoked by the authority that granted the charter under this chapter if the authority finds, through a showing of substantial evidence, that the charter school did any of the following:
- (1) Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.
- (2) Failed to meet or pursue any of the pupil outcomes identified in the charter.
- (3) Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement.
 - (4) Violated any provision of law.

(d)

(f) Prior to revocation, the authority that granted the charter shall notify the charter public school of any violation of this section and give the school a reasonable opportunity to remedy the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils.

(e)

(g) Prior to revoking a charter for failure to remedy a violation pursuant to subdivision (d), and after expiration of the school's reasonable opportunity to remedy without successfully remedying the violation, the chartering authority shall provide a written notice of intent to revoke and notice of facts in support of revocation to the charter school. No later than 30 days after providing the notice

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of intent to revoke a charter, the chartering authority shall hold a public hearing, in the normal course of business, on the issue of whether evidence exists to revoke the charter. No later than 30 days after the public hearing, the chartering authority shall issue a final decision to revoke or decline to revoke the charter, unless the chartering authority and the charter school agree to extend the issuance of the decision by an additional 30 days. The chartering authority shall not revoke a charter, unless it makes written factual findings supported by substantial evidence, specific to the charter school, that support its findings.

(f)

- (h) (1) If a school district is the chartering authority and it revokes a charter—pursuant to, denies a renewal application, or fails to act on a renewal application within the timelines specified in this section, the charter school may appeal the revocation or nonrenewal to the county board of education within 30 days following the final decision of the chartering authority or the expiration of the renewal timeline.
- (2) The county board may reverse the revocation—decision or nonrenewal if the county board determines that the findings made by the chartering authority under subdivision—(e) (g) are not supported by substantial evidence, or, in the case of a nonrenewal, the county board finds that the district did not reasonably apply the criteria specified in subdivisions (a) and (b). The school district may appeal the reversal to the state board.
- (3) If the county board does not issue a decision on the appeal within 90 days of receipt, or the county board upholds the revocation *or nonrenewal*, the charter school may appeal the revocation *or nonrenewal* to the state board.
- (4) The state board may reverse the revocation—decision or nonrenewal if the state board determines that the findings made by the chartering authority under subdivision—(e) (g) are not supported by substantial evidence. The state board may uphold the revocation decision of the school district if the state board determines that the findings made by the chartering authority under subdivision—(e) (g) are supported by substantial evidence, or, in the case of a nonrenewal, the county board finds that the district did not reasonably apply the criteria specified in subdivisions (a) and (b).

(g)

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(i) (1) If a county office of education is the chartering authority and the county board revokes *or denies renewal of* a charter pursuant to this section, the charter school may appeal the revocation *or nonrenewal* to the state board within 30 days following the decision of the chartering authority.

(2) The state board may reverse the revocation—decision or nonrenewal if the state board determines that the findings made by the chartering authority under subdivision—(e) (g) are not supported by substantial evidence, or, in the case of a nonrenewal, the county board finds that the district did not reasonably apply the criteria specified in subdivisions (a) and (b).

(h)

(*j*) If the revocation-decision or nonrenewal of the chartering authority is reversed on appeal, the agency that granted the charter shall continue to be regarded as the chartering authority.

(i)

(k) During the pendency of an appeal filed under this section, a charter-school, school whose charter has not been renewed, or a charter school whose revocation proceedings are based primarily on paragraph (1) or (2) of subdivision-(e) (e), shall continue to qualify as a charter school for funding and for all other purposes of this part, and may continue to hold all existing grants, resources, and facilities, in order to ensure that the education of pupils enrolled in the school is not disrupted.

(i)

- (l) Immediately following the decision of a county board to reverse a decision of a school district to revoke revocation or nonrenewal of a charter, the following shall apply:
- (1) The charter school shall qualify as a charter school for funding and for all other purposes of this part.
- (2) The charter school may continue to hold all existing grants, resources, and facilities.
- (3) Any funding, grants, resources, and facilities that had been withheld from the charter school, or that the charter school had otherwise been deprived of use, as a result of the revocation of the charter shall be immediately reinstated or returned.

(k)

(m) A final decision-of regarding a renewal application, renewal appeal, revocation, or revocation appeal of a revocation pursuant to subdivision (e) this section shall be reported within 60 days to

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the chartering authority, the county board, and the department by 2 the entity making the decision. 3

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SEC. 2. Section 47607.5 of the Education Code is repealed.

47607.5. If either a school district governing board or a county board of education, as a chartering agency, does not grant a renewal to a charter school pursuant to Section 47607, the charter school may submit its application for renewal pursuant to the procedures pertaining to a denial of a petition for establishment of a charter school, as provided in subdivision (j) of Section 47605.

SECTION 1. It is the intent of the Legislature to enact legislation that would specify accountability standards for pupil outcomes in charter schools and require charter schools to meet those standards.